Remarks

Entry of the amendment is respectfully requested. No new matter has been added.

Reconsideration is respectfully requested.

Application Status

Claims 1 and 46-70 remain pending.

Claims 45-63 and 66-70 were indicated allowable if written in an independent format.

Claims 45 and 66 were rewritten as requested by the Office. Thus, Applicants respectfully submit that claims 45-63 and 66-70 (and 65) are now allowable.

Claims 1 and 64-65 were rejected pursuant to 35 U.S.C. § 103(a) over Peebles (US 6,454,163) in view of Calder (US 6,516,998).

The Rejections

Applicants respectfully submit that the references, whether taken alone or in combination, do not teach or suggest the recited features and relationships in claims 1 and 64. The references do not teach or suggest a divert cassette having plural separated storage compartments. Where do the references teach or suggest an ATM divert cassette having a first storage compartment and a second storage compartment that are separated from each other by a compartment separating structure? Also, the first storage compartment includes a diverted media storage area, and the second storage compartment includes a retracted media storage area. Furthermore, where do the references teach or suggest an ATM computer determining unpresentable media or retracted media, and then the machine properly storing the media in a designated compartment based on its determination? The Office has not established a *prima facie* showing of obviousness.

Conclusion

Applicants respectfully submit that this application is in condition for allowance.

The undersigned is willing to discuss any aspect of the Application by telephone at the Office's convenience.

Respectfully submitted,

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